(c) whether the banks and financial institutions have been given directions to provide sufficient credit to farmers; and

(d) if so, the details thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (d) The target for flow of credit to agriculture has been substantially increased continuously since 2004-05. The target for flow of credit to agriculture, which was Rs. 2,25,000 crore in 2007-08, has been increased to Rs. 2,80,000 crore for the year 2008-09 and the banking institutions have been directed to achieve this target.

The Government of India (GoI) has taken the following steps to ensure availability of timely and affordable credit for farm sector:—

- After implementation of the debt waiver and debt relief scheme for farmers, the farmer would be entitled to fresh agricultural loans from the banks.
- GoI is providing interest subvention @ 2% per annum to Public Sector Banks, Regional Rural Banks and Cooperative Banks on their own funds and concessional refinance to Cooperative Banks and RRBs since Kharif 2006-07 to ensure Short Term crop loans upto Rs. 3 lakh to famers at interest rate of @ 7% per annum at the ground level.
- Commercial Banks and Regional Rural Banks have been successful in financing more than 75 lakhs new farmers during each of the last three years.
- Banks have simplified the procedure for documentation for agricultural loans.
- Loans upto Rs. 50,000/- have been made collateral and margin free and the requirement of 'No Dues Certificate' has been dispensed with.
- Banks have been advised to provide all eligible farmers with Kisan Credit Cards.
- Banks have been instructed to achieve financial outreach through provision of a General Credit Card to households, to open "No Frills" accounts with limited overdraft facilities, to extend financial outreach by utilizing services of Civil Society Organisation like Farmers Clubs, Non Governmental Organisations (NGOs), Post Offices as Business Facilitator/Business Correspondent Model, etc.

Negative growth in small savings schemes

3758. SHRI TAPAN KUMAR SEN:
SHRI MOHAMMED AMIN:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that small savings schemes have seen a negative growth in the year 2007-08;

(b) if so, the reasons therefor; and

(c) the action being taken by Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes, Sir. During April 2007-February 2008 the withdrawals (including

redemptions on maturity) under the Small Savings Schemes in Post Offices and Banks were Rs. 1,35,735 crore as against the gross small savings collections of Rs. 1,23,725 crore.

(b) Over a period of time, investment options available have increased both in number and variety offering a wider choice to investors for their savings. Deregulation of the interest rates relating to banks, financial institutions and debt markets have also contributed to directing the flow of savings into instruments other than small savings schemes of the Government which are subjected to administered interest rates.

(c) With a view to sustaining investor's interest in the small savings schemes, the features of the schemes are reviewed from time to time and various improvements and amendments in the schemes have been introduced. Some of the recent measures include:

(i) The benefit of Section 80C of the Income Tax Act, 1961 has been extended to the investments made under 5-Year Post Office Time Deposit Account and Senior Citizen Savings Scheme, with effect from 1.4.2007.

(ii) Introduction of a bonus at the rate of 5 per cent on the deposits made under Post Office Monthly Income Account (POMIA) Scheme on or after 8th December, 2007 upon the maturity of the deposit.

(iii) With effect from 1.8.2007, the maximum deposit ceiling of Rs. 3.00 lakh and Rs. 6.00 lakh under the Post Office Monthly Income Account (POMIA) Scheme has been raised to Rs. 4.5 lakh and Rs. 9.00 lakh in respect of single and joint accounts respectively.

Guidelines for waiving of loans

3759. SHRI RAJEEV CHANDRASEKHAR:
SHRI M.V. MYSURA REDDY:

Will the Minister of FINANCE be pleased to state:

(a) the guidelines formulated by Government for the waiver of loans;

(b) the number of small marginal and big farmers who obtained loans from Commercial Banks and also from Cooperative Banks, category-wise, bank-wise and State-wise;

(c) the number of small and marginal farmers who got the benefit from the loan waiver schemes, category-wise, bank-wise and State-wise; and

(d) whether Government is having any proposal for relaxing the guidelines so that more farmers may get the benefit of loan waiver schemes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) As the Guidelines for the debt waiver and debt relief scheme for farmers are yet to be finalised by the Government, the bank-wise, State-wise details of small, marginal and other farmers are not available at present. However, as per the preliminary estimates, the debt waiver and debt relief for farmers would cover around three crore small and marginal farmers and one crore other farmers.

(d) The Government has received representations from various quarters for relaxing the guidelines for the debt waiver and debt relief scheme for farmers, which are under examination.